

Trego County

Estimated Economic Contribution of Agriculture, Food, and Food Processing Sectors

6/28/2019

Using the most recent IMPLAN data available (2017) adjusted for 2019, 12 agriculture, food, and food processing sectors were analyzed to determine their overall contribution to the Trego County economy.¹

These 12 sectors have a total direct output of approximately **\$76.8 million** and support **525 jobs** in Trego County. Running the model for all 12 sectors simultaneously produces the following results:

Agriculture, Food, and Food Processing Sector Contribution to Overall Trego County Economy					
Contribution Type ²	Employment	% Employment	Total Value Added ³	Total Value Added % of Gross Regional Product ⁴	Output ⁵
Direct Effect	525.0	21.74%	\$20,501,255	16.98%	\$76,812,736
Indirect Effect	70.9	2.94%	\$5,628,819	4.66%	\$11,660,934
Induced Effect	43.3	1.79%	\$2,586,358	2.14%	\$5,104,800
Total Effect	639.2	26.47%	\$28,716,432	23.78%	\$93,578,470

As shown in the above table, agriculture, food, and food processing sectors support **639 jobs**, or **26.47%** of the entire workforce in the county.

Another metric used to calculate the importance of sectors in an economy is their value added as a percentage of GRP. Total value added by the 12 agriculture, food, and food processing sectors is approximately **\$28.7 million**, or **23.78% of the GRP**.

The following tables document the top industries affected by employment and output, as well as a listing of all industries that were analyzed.

¹ Article on building a contribution analysis in IMPLAN that avoids double counting:

<https://implanhelp.zendesk.com/hc/en-us/articles/115002801513-Considerations-of-Contribution-Analysis>

² Direct, indirect, and induced effects sum together to estimate the total economic contribution in the state. **Direct effects** capture the contribution from agricultural and food products. **Indirect effects** capture the economic benefit from farms and agricultural businesses purchasing inputs from supporting industries within the state. **Induced effects** capture the benefits created when employees of farms, agricultural businesses, and the supporting industries spend their wages on goods and services within the state.

³ Value added = labor income + indirect business taxes + other property type income.

⁴ GRP = final demand of households + governments expenditures + capital + exports - imports - institutional sales.

⁵ Output = intermediate inputs + value added.

In the top ten agriculture, food, and food processing sectors by employment, the beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming sector is the top employer with **304 employees**. This table also shows the amount of jobs that are created by the agriculture industry in Trego County.

Top Ten Agriculture, Food, and Food Processing Sectors by Employment		
Sector	Total Employment	Total Output
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	304.3	\$35,539,433
Support activities for agriculture and forestry	89.4	\$5,443,238
Grain farming	77.5	\$27,383,087
All other crop farming	26.3	\$1,954,027
Wholesale trade	23.8	\$4,223,965
Dairy cattle and milk production	11.1	\$3,062,465
Truck transportation	8.3	\$1,606,108
Real estate	6.9	\$1,065,306
Veterinary services	6.6	\$521,329
Accounting, tax preparation, bookkeeping, and payroll services	6.0	\$275,926

The beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming sector directly contributes approximately **\$35.5 million** to the Trego County economy. The table below also shows the amount of revenue that is generated in other industries by having a strong agriculture industry.

Top Ten Agriculture, Food, and Food Processing Sectors by Output		
Sector	Total Employment	Total Output
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	304.3	\$35,539,433
Grain farming	77.5	\$27,383,087
Support activities for agriculture and forestry	89.4	\$5,443,238
Wholesale trade	23.8	\$4,223,965
Dairy cattle and milk production	11.1	\$3,062,465
All other crop farming	26.3	\$1,954,027
Truck transportation	8.3	\$1,606,108
Owner-occupied dwellings	0.0	\$1,205,376
Oilseed farming	1.1	\$1,079,771
Real estate	6.9	\$1,065,306

Below is a summary of all agriculture data with employment levels and output level. These values can tell how many jobs are represented by each agriculture, food, and food processing sector and the output they contributed to the Trego County economy.

All Agriculture, Food, and Food Processing Sectors		
Sector	Total Employment	Total Output
Oilseed farming	1.1	\$1,079,771.40
Grain farming	77.5	\$27,383,087.16
Fruit farming	0.2	\$12,014.76
All other crop farming	26.3	\$1,954,026.82
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	304.3	\$35,539,432.53
Dairy cattle and milk production	11.1	\$3,062,465.43
Poultry and egg production	0.4	\$225,571.08
Animal production, except cattle and poultry and eggs	0.9	\$95,283.05
Support activities for agriculture and forestry	89.4	\$5,443,237.78
Bread and bakery product, except frozen, manufacturing	4.4	\$438,004.52
Farm machinery and equipment manufacturing	3.0	\$1,058,511.26
Veterinary services	6.6	\$521,329.46

All 105 counties in Kansas have an IMPLAN model and an agriculture, food, and food processing contribution summary. These values do not factor in the retail environment of food sales. Food retail is important, but in order to provide the most accurate picture of what production agricultural and processing contributes to Trego County, the retail sector was omitted.